GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2790
ANSWERED ON:20.03.2002
DEVELOPMENT OF SCS AND STS
RAMJI LAL SUMAN

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

the special steps taken under the mandate of Art. 46 of the Constitution to promote the economic interests of the SCs and STs by way of establishment and maintenance of small scale industrial units through State sponsored/aided schemes and programmes so as to enhance employment opportunities to educated unemployed youth from SC/ST communities and to economically empower them?

Answer

THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI KARIYA MUNDA)

The Government is implementing the Rural Employment Generation Programme (REGP) and the Pradhan Mantri Rozgar Yojana (PMRY) throughout the country to enhance employment opportunities and to empower economically the unemployed educated youth of the country including communities belonging to SC/ST. The REGP is being implemented through Khadi and Village Industries Commission (KVIC) and the PMRY is being implemented through District Industries Centres. Under the REGP, back-ended Capital Subsidy in the form of Margin Money is provided at the rate of 25% of the project cost upto Rs. 10 lakhs and 10% on the balance project cost upto Rs. 25 lakhs. The beneficiary is required to invest his own contribution of 10% of the project cost. For weaker sections viz. SC/ST/OBC/Women/Physically Handicapped/Ex-Servicemen and Minority Community beneficiary /Institution and for Hill, Border and tribal areas, North Eastern Region, Sikkim, Andaman & Nicobar Island, Lakshadweep, the Margin Money grant is 30% of the project cost upto Rs. 10 lakhs and 10% of the remaining cost of the project upto Rs. 25 lakhs. In case of SC/ST and other weaker Sections beneficiary`s contribution is 5% of the project cost. This scheme is being implemented through Public Sector banks, Regional Rural Banks etc. Under the PMRY, 80% of the project cost comes as loans and rest 20% is subsidy from the Central Government and margin money contribution from the beneficiary. The scheme envisages 22.5% reservation for SC/ST and 27% for Other Backward Classes (OBC).